

Net-to-Gross Research - Standard Compact Fluorescent Lighting: Status Update

Energy Optimization Collaborative
September 17, 2013



Commission Orders

- DTE Energy – Case No. Case No. U-17049 - December 20, 2012

“Thus, the Commission finds it reasonable to revisit the appropriate net-to-gross for conventional CFL in 2013, for 2014 and 2015 planning and evaluation purposes. To clarify, for program years 2012-2013, a net-to-gross of 0.90 may be used for calculating energy savings for conventional CFLs.”

- Consumers Energy – Case No. U-17138 – January 31, 2013

“The company will use a net-to-gross ratio of 0.90 for calculating energy savings for its conventional CFLs for 2012-2013. The parties agree that the Commission shall revisit the appropriate net-to-gross ratio for conventional CFLs in 2013 for the 2014 and 2015 program years.”

Lighting NTG Overview

Research Tasks	Impact (IRAF)	Process	Net to Gross		
			FR	SO	ME
Customer Surveys (Telephone and Intercept)	√	√	√		
Shelf Surveys		√	√		
On-Site Data Collection (Saturation Study)	√				√
Trade Ally Interviews		√	√	√	√
Review of Literature, Market Data and Program Tracking Data			√		√
Delphi Panel			√	√	√

Lighting NTG Status – data collection, data analysis

Research Task	Status
Customer Surveys (Telephone and Intercept)	In Progress
Shelf Surveys	In Progress
In-Home Audits	Completed
Trade Ally Interviews	Completed
Review of Literature, Market Data and Program Tracking Data	In Progress
Delphi Panel	Upcoming

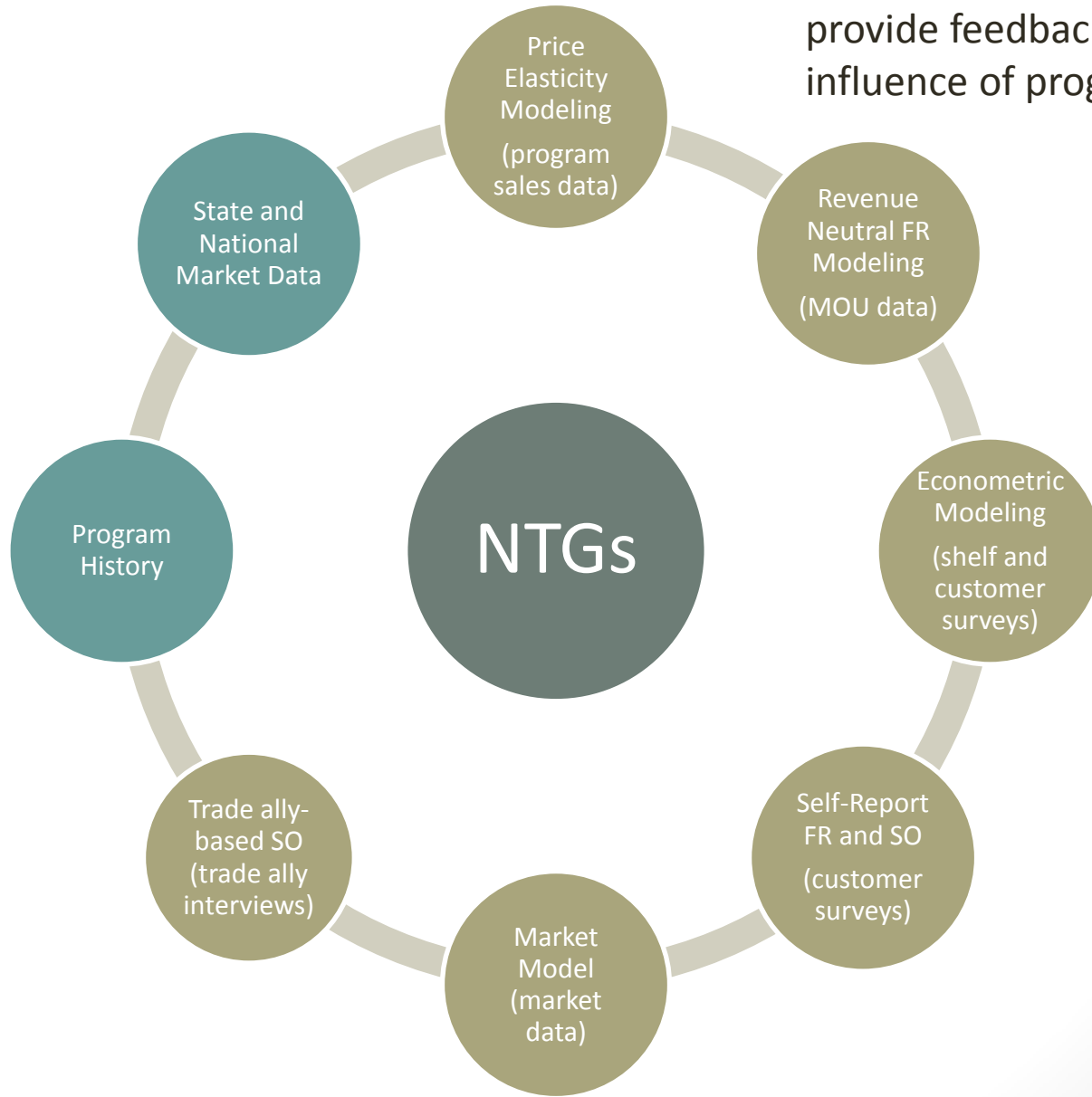
Delphi Panel: Overview

- Selected industry experts draw on their knowledge of CFL markets, past and present, to help estimate programs' influence
 - Panelists selected to represent a broad range of perspectives
- Stage 1:
 - Provide program history, market data, NTG results from multiple research methods
 - Ask panelists to rate their confidence in NTG estimates and provide their reasoning
- Stage 2:
 - Provide summary of initial responses by participant group
 - Each panelist has an opportunity to modify initial response

Delphi Panel Objective

- Gather input from a panel of experts to:
 - Assess the accuracy of net-to-gross (NTG) estimates developed for the Consumers Energy and DTE Energy programs
 - Recommend NTG values to reflect historical experience and potential future program impacts
- Represent a broad range of perspectives
 - Evaluators & Consultants
 - Government & Regulators
 - Program Administrators & Market Support
 - Environmental & Efficiency Advocates
 - Lighting Manufacturers
 - Lighting Retailers

Stage 1:



Review and assess information about programs, market and evaluations; provide feedback on the influence of programs

Introductory Webinar

- Review:
 - Michigan definition of NTG
 - $NTG = 1 - \text{Freeridership} + \text{Spillover} + \text{Multi-Year Market Effects}$
 - Background information provided
 - Excel-based questionnaire and response options (statewide or utility specific values, estimates of NTG components or overall values)
 - Schedule
- Recorded so panelists can view at their convenience
- Moderated to allow panelists to ask questions anonymously

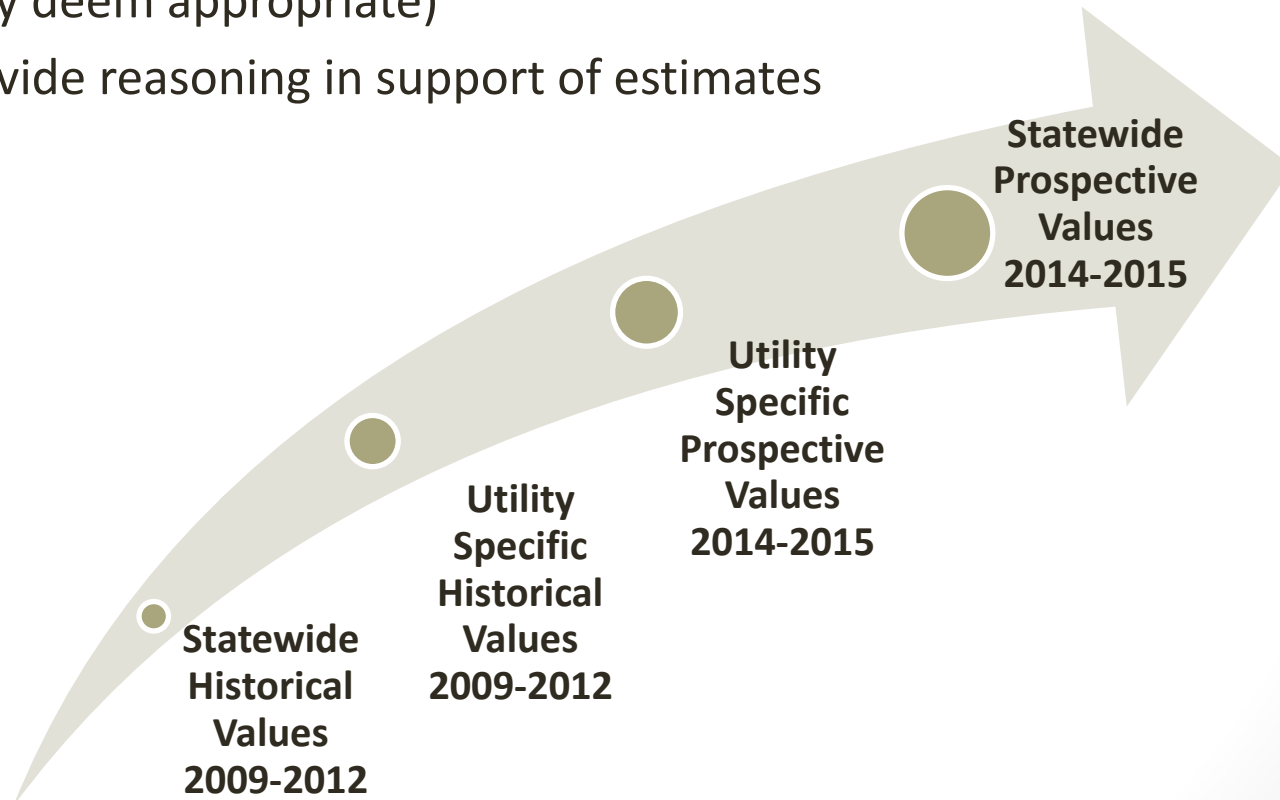
Stage 2:

Review of Stage 1 results by participant category, opportunity to converge around a group result



Net-to-Gross Values

- Panelists will be asked to:
 - Estimate NTG (differentiating by utility, and by past vs. future if they deem appropriate)
 - Provide reasoning in support of estimates



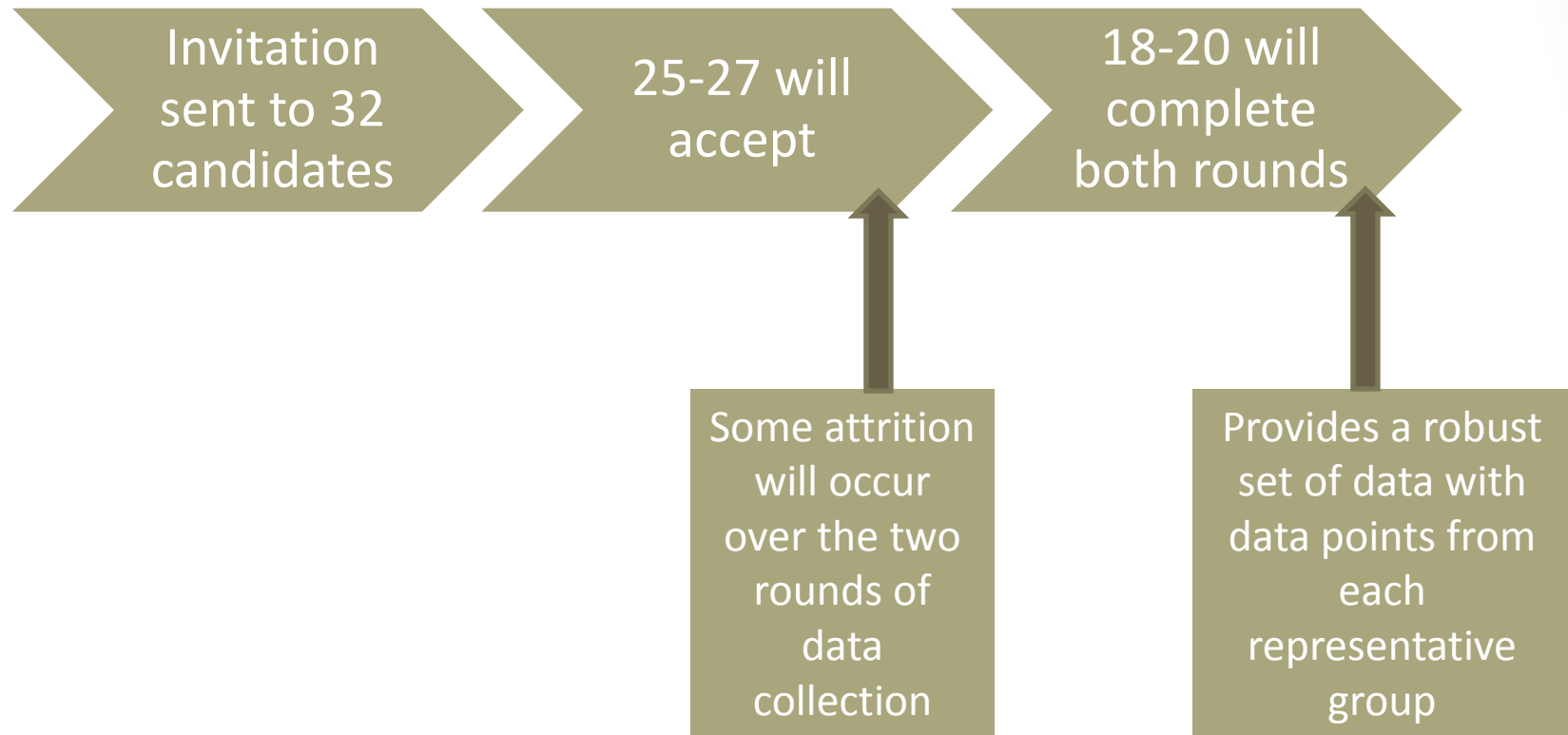
Recruitment of Panelists

- Identified candidates selected for:
 - Knowledge of the market for energy efficient lighting
 - Familiarity with Michigan programs and markets
 - Ability to provide a critical review of the influence that the programs would have had and the differences that would exist in the market if programs had not been or were not offered
- Benefits of participating:
 - Recognition of expertise
 - Michigan definition of NTG to include market effects is an important development; allows participants to participate in defining how market effects are measured and attributed
 - \$500 honorarium – paid to the panelist or to a charity of their choice

Organizations Identified

- **Government & Regulators** – Department of Energy, NYPSC, Environmental Protection Agency
- **Program Administrators & Market Support** – Northwest Energy Efficiency Alliance, Efficiency Vermont, Xcel Energy, Lockheed Martin, Northeast Energy Efficiency Partnerships, Midwest Energy Efficiency Alliance
- **Environment/Efficiency Advocates** – American Council for an Energy Efficient Economy, Alliance to Save Energy, Consortium for Energy Efficiency,, Natural Resources Defense Council
- **Evaluators & Consultants** – California Institute for Energy and Environment, Apex Analytics, D&R International, NYSERDA, Itron, Ecova
- **Lighting Manufacturers** – Feit Electronics, GE, Greenlite, NEMA/Sylvania, Phillips, TCP, Globe Electric, Maxlite
- **Lighting Retailers** – Meijers, The Home Depot, Walmart, ACO Hardware, Menards

Recruitment Strategy



Schedule of Events

Event	Date
Invite panelists to participate	September 18
Confirm participation	October 2
Send out Stage One questionnaire	October 23
Webinar	October 24
Receive Stage One responses	November 6
Send out Stage Two questionnaire	November 20
Receive Stage Two responses	December 4
Delphi Panel preliminary results	December 18



**NTG
Presentation
to the
Collaborative
in Jan/Feb**